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Organisational Culture Review: Phase 1 Report

Draft for discussion purposes

Crown Resorts Limited

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Guidance and Limitations

Inherent Limitations

The purpose of this document is to summarise the findings from Deloitte's review into the maturity of Crown's organisational culture architecture, which includes governance, related policies, and supporting processes and structures to manage organisational culture.

The Services provided are advisory in nature and have not been conducted in accordance with the standards issued by the Australian Auditing and Assurance Standards Board and consequently no opinions or conclusions under these standards are expressed. Because of the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur and not be detected. The matters raised in this report are only those which came to our attention during the course of performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made.

Our engagement is not an assurance engagement and we did not perform any audit, testing or verification of the information provided to us throughout the engagement and did not provide legal advice. We have also not made assessments of the accuracy of any data in underlying systems. Deloitte has not undertaken any additional research beyond the data provided to us.

Our review was limited to a desktop review of artefacts that evidence Crown's approach to managing culture, in addition to three stakeholder interviews that provided supplementary information. No other fieldwork was undertaken, and no perspectives were sought regarding Crown's current state culture or the extent to which these artefacts are actively used or perceived by employees.

Limitation of Use

This report is prepared solely for the internal use of Crown in accordance with our engagement letter dated 23 November 2020. This document is not intended to and should not be used or relied upon by anyone else and we accept no duty of care to any other person or entity. This report has been prepared for the purpose set out in our engagement letter. You should not refer to or use our name or the presentation for any other purpose without our prior consent.

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Executive Summary

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Executive Summary

Summary of key findings from our review into the maturity of Crown's organisational culture framework.

Overall Assessment Indicator

- Not aligned with 'mature'
- Partially aligned with 'mature'
- Aligned with 'mature'

1. Context and approach

Deloitte Risk Advisory Pty Ltd (Deloitte) was engaged by Crown Resorts Limited (Crown) to conduct an initial maturity assessment of Crown's culture framework. In conducting this maturity assessment we have also referred to previous work completed by Crown to define and embed the values of the business. Throughout this report, 'organisational culture' refers to the holistic culture of Crown which encompasses all elements of culture such as risk culture, safety culture, wellbeing culture, etc. 'Culture architecture' refers to the supporting governance, related policies, and supporting processes and structures to manage organisational culture.

Deloitte assessed the current state maturity of Crown's organisational culture architecture through document review and focused consultations, using a tailored evaluation framework comprising of five different components of organisational culture architecture (refer to Appendix A).

2. Summary

A well managed organisational culture should align to the organisational strategy and include risk objectives and other growth, people and performance objectives. Based on the information reviewed, Crown's approach to managing organisational culture remains fragmented and lacks a commonly held, formal definition of the target organisational culture across different sites and areas of the business. While the CX-EX (Customer Experience and Employee Experience) project has focused on aspects of the organisational culture as it relates to positive customer service outcomes, the approach taken under that project does not consider broader aspects of how the organisational culture influences the delivery of Crown's strategy and its management of risk.

Efforts to define Crown's risk culture are currently in draft form. While the defined approach articulates the behavioural expectations linked to Crown's values in terms of risk management, it is not currently aligned with the culture aspects of the CX-EX program or the behavioural expectations outlined under the values. Developing multiple sets of behavioural expectations poses the risk of confusing messages and conflicting approaches to decision-making. Crown would benefit from a common definition of the target culture.

3. Key findings

Our findings are structured around the five aspects of organisational culture 'architecture' that comprise the evaluation framework.

Governing Culture

Ownership

Organisational Design

Ownership and responsibility for Crown's risk culture is formally defined in key documentation, though there is opportunity to expand this articulation regarding Crown's broader organisational culture.

Crown has also sought to strengthen the extent to which its organisational structure supports good governance and a cohesive approach to organisational culture, shifting away from the previous design which saw group-level responsibility for HR split across properties and siloed development of culture.

Defining Culture

Strategy and Objectives

Organisational Values

Communication

Crown has undertaken significant effort over recent years to define and embed its organisational purpose and values. The launch of the purpose and values was delivered through a comprehensive and engaging communications approach, targeted across role-level and focused on employees. We observe that development of Crown's values has primarily been focused around CX-EX objectives, while Crown's risk culture has been developed separately and after design of these values, which may lead to misalignment in application of these values, (e.g., weighting decisions in favour of the customer experience over risk).

Organisational culture has also been highlighted as a significant focus in Crown's Reform Agenda, reflecting strong top-down endorsement and commitment. Specific reference was made to prioritise an organisational culture review and ongoing culture measurement.

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Enabling Culture

Policies, Processes and Systems	Embedding of Crown's culture, through its purpose and values, was well-documented across Crown's organisational mechanisms. Documents reviewed indicated an alignment between Crown's articulated purpose and values and different aspects of the employee experience, and targeted learning experiences were designed to drive organisational culture (e.g., mandatory training, Mary Gober International training), though may not yet be consistently deployed across Crown. We observed strong embedment of Crown's purpose and values in established programs such as Crown College and the front-line leadership programs.
Recruitment and Induction	
Talent and Performance Management	A series of initiatives are currently in progress to update and further embed Crown's values as part of the CX-EX program. For example, efforts have been made to integrate values and culture throughout the recruitment and induction processes (e.g., onboarding training demonstrates a strong communication of Crown's cultural expectations, culture is leveraged to attract potential candidates), with further work to review recruitment in line with the CX-EX program anticipated. The current development of a new performance management framework aligned with Crown's values is also likely to strengthen and reinforce the expectation that employees demonstrate desirable behaviours (e.g., described as professional behaviours in performance management documents).
Incentives and Consequences	
Employee Experience	While Crown's existing HR-related policies and procedures demonstrated some alignment with aspects of a target organisational culture, focusing on elevating diversity, risk and compliance, and other mechanisms such as Crown's incentives and consequences processes, would benefit from review to align with the CX-EX program, target culture (once defined), and desired risk culture.
Work Environment	We note that this phase of the assessment is unable to determine the extent to which these enabling mechanisms are lived as part of Crown's current culture state, and recommend focused attention in these areas as part of the upcoming phases in Crown's culture review. Additionally, while a large number of organisational mechanisms have been reviewed and updated to align with Crown's new values, less consideration has been given to ensuring they help reinforce Crown's desired risk culture. Finally, opportunity for improvement exists in ensuring the consistent embedment of Crown's values in all policy areas to reinforce a consistent organisational culture across the whole Group.
Learning	

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Measuring and Reporting Culture

Measurement Reporting Employee Listening	While Crown has clearly defined and outlined a proposed approach to measuring risk culture, the full approach for qualitative assessment (e.g., employee perspectives) is still in development and the framework is yet to be fully implemented. Review of Crown's risk culture reporting template indicated alignment with the risk and compliance culture framework, though we observe limited documentation of the reporting process (e.g., reporting schedule, audience). We observed no current documented strategy or approach for regular and comprehensive assessment of broader organisational culture across the Group, and limited structure around reporting this information to leadership and Board. Crown has undertaken preliminary efforts to gain an understanding of its broader organisational culture through the CX-EX program assessments, engagement surveys, pulse surveys, as well as leveraging a 360° survey with a small sample of frontline employees to determine target vs current state culture. Upcoming implementation of Medallia, a platform to gather employee feedback, is likely to further strengthen Crown's approach to understanding its organisational culture.

Changing Culture

Culture Roadmap	Crown has not yet formally established a target state culture that harmonises a central narrative around Crown's desired future state (i.e., across Crown's new values, the desired risk culture, etc), nor established a culture roadmap towards this target. However, some culture transformation has already been undertaken as part of the CX-EX program, utilising a CX-EX roadmap with strategic actions, including the launch of Crown's purpose and values.

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Executive Summary

Summary of key findings from our review into the maturity of Crown's organisational culture framework

Next Steps

- Crown has engaged Deloitte to assist in addressing some of the key areas highlighted in this report.
- Phase two and three of this project will address several of the areas highlighted in relation to Crown's measurement and reporting of organisational culture by designing a culture measurement framework that incorporates multiple data points and assesses the current state of Crown's organisational culture, including risk culture, against the organisation's values. The project will also design and implement a reporting framework for the findings of this review and ongoing monitoring and reporting of organisational culture in the future.
- Phase four of this project will develop an overarching target culture state for Crown and align behavioural expectations across the CX-EX program and risk culture and enhance the linkage between the target culture state and Crown's values, strategy and risk management objectives.
- Once developed, the organisational target culture state will be used to identify the culture change roadmap and the key activities to shift the culture closer to the target state. This roadmap will consider the current programs including the CX-EX program and risk culture approaches and make recommendations for any enhancements to ensure a coordinated approach is embedded.

PHASE 1: Assess Culture Architecture

- Develop a **culture architecture evaluation framework** and **assessed Crown's organisational culture artefacts** against it to gain an understanding of the maturity of Crown's **current culture architecture**

This report is an output of Phase 1

PHASE 2: Design & Conduct Measurement

- Establish a **measurement framework** to **collect and analyse Crown's culture data** against
- Conduct a multi-method approach, leveraging **surveys**, **focus groups**, and **interviews** to understand how Crown's cultural ecosystem operates and to identify the best **levers for change**

PHASE 3: Derive the Insights

- Assess the relationships between insights from **perception based** research and the **other data** obtained (e.g., quantitative metrics); identifying both the **headline trends**, and the various sub-cultures within Crown
- Differentiate between **isolated vulnerabilities, thematic weaknesses** and **systemic root causes**, identifying targeted actions for change

PHASE 4: Define Target State & Roadmap

- Define a **target culture** for Crown that aligns with organisational values, strategy and risk appetite
- Distil the target culture into the **mindsets and behaviours** most critical to achieving the strategic goals
- Create a **change roadmap**, outlining the initiatives required to reach Crown's target culture

Methodology

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Approach

We used a four phased approach to complete the Phase 1 assessment of Crown's culture architecture

Background

Deloitte were engaged to assess the maturity of Crown's organisational culture framework. To do this, Deloitte used a tailored evaluation framework with criteria that sets out different aspects of an organisational culture 'architecture' that would be expected in a mature approach to managing organisational culture, with defined standards of maturity for each. This evaluation framework is derived from Deloitte's experience and best practice advice on managing culture, drawn from industry practice and regulatory advice. The summary evaluation criteria is provided in Appendix A.

1 Plan and Prepare

Aim: Establish the scope of the culture framework review, identify key stakeholders, and tailor evaluation framework

- We conducted a kick-off meeting to establish the scope of our review, identify stakeholders to be interviewed, and determine timelines.
- We reviewed and tailored Deloitte's evaluation framework, identifying the artefacts required for review. A request list of artefacts was provided to Crown.

2 Review Artefacts

Aim: Develop an understanding of Crown's culture framework maturity based on the artefacts provided, against the evaluation criteria

- We received tranches of the artefacts requested and conducted a desktop review.
- We structured our review against our evaluation framework, identifying areas of maturity and areas for improvement.

3 Interview Key Stakeholders

Aim: Consult with a selected number of key stakeholders to close information gaps

- We developed interview surveys and scheduled sessions with the key stakeholders identified.
- We conducted three interviews:
  - Melbourne EGM HR
  - Perth EGM HR
  - CEO, Crown Casinos Limited

4 Assess and Summarise

Aim: Assess maturity against evaluation framework and finalise report

- We summarised our combined findings into a maturity report.

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Report Navigation

How to read the report

Ownership

Assessment Indicator

Insight

Ownership and responsibility for Crown's *risk culture* was found to be documented in key governance documentation (noting that some documents were still in draft), though less clearly established for *organisational culture*. Documented responsibility for organisational culture was limited to an expectation that the Board approve Crown's statement of values and instil Crown's values and performance. We did not observe documented Executive level (and below) accountability for managing organisational culture. Anecdotally, stakeholders reflected a strong sense of ownership and responsibility regarding culture from within the business (e.g., business unit leads).

Artefact Review

- The Board Charter[3] outlines an expectation for the Board to instil Crown's values and performance, as well as satisfying itself that Crown's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite. Approving Crown's statement of values is also described as a matter reserved for the Board. No further mention of ownership and responsibility for organisational culture is described in the Board Charter. Additionally, no documentation was reviewed that formally cascaded Executive level accountability for managing organisational culture, or articulated Executive-level responsibility for instilling organisational culture throughout the organisation.
- Ownership and accountability of culture initiatives driven through the CX-EX program are defined, clearly attributing different CX-EX working groups and stakeholders to each initiative[84].
- Ownership for risk culture is defined in the Risk Management Strategy (June 2020)[4], with responsibility defined for different roles across Crown. The Board is expected to clearly articulate Crown's risk culture through setting key policies and strategies (e.g., setting the Risk Management Strategy, organisational values, and operational delegations), while leadership (e.g., CEO, Exec, Snr Mgmt) are expected to establish, maintain and champion an effective risk culture. All other staff are expected to perform their role consistently with the expected organisational culture and Code of Conduct[5].
- The Risk Management Charter[6] outlines challenging and driving a risk and compliance culture at Crown as a key responsibility for the Committee.
- The draft risk and culture compliance framework[2] sets consistent expectation for risk culture across all roles, and further outlines an expectation that the Board 'sets the overarching tone and demonstrates the commitment of the organisation to the values and behaviours'.

Interview

- Stakeholders reported having observed a strong sense of ownership of organisational culture within the operational business. For example, the design and development of the values was observed to be a bottom-up process, with the business heavily involved and taking ownership (see Defining Culture Findings).
- Stakeholders reflected a view that the current Board take active interest in organisational culture-related information, and express a desire for increased visibility (e.g., assurances and measures). This was seen as an improvement from previous years, where HR-related activities were not seen to receive sufficient attention at Board-level, with minimal commitment from the Board in providing resources to organisational culture and people related issues.

High-level insights give an overview of Crown's culture framework maturity with regard to this dimension of the evaluation framework

A **maturity rating** is provided using Harvey Ball diagrams, displaying the extent to which Crown's culture framework is aligned to a 'mature' definition of this dimension of the evaluation framework (see legend below)

Supporting evidence drawn from the **interviews** is provided here

Supporting evidence drawn from the **artefact review** is provided here, giving additional detail regarding the insights above. Footnote references are provided, with a full list of artefacts reviewed in the Appendix

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Culture Assessment Framework (1/2)

We undertook a desktop review of artefacts that evidenced Crown's organisational culture architecture, against the following evaluation framework

Component	*Element*	*Description*
Governing Culture	Organisational Design	The degree to which organisational design (e.g. organisational structure, governance style (centralised vs decentralised), decision rights, delegations) supports and enables the organisation to effectively manage its culture
	Ownership	The degree to which ownership and responsibility for organisational culture is clearly defined and cascaded down through different levels of the organisation
Defining Culture	Strategy and Objectives	The degree to which culture is integrated into the organisation's strategy and objectives, and acknowledged as an enabler of business outcomes (e.g., strategic objectives, risk objectives)
	Organisational Values	The degree to which organisational values are defined and form a clear culture narrative regarding target culture state
	Communication	The degree to which consistent and visible messages around culture are communicated to all levels and areas of the organisation and leaders demonstrate commitment to driving behaviours of the target culture
Enabling Culture	Policies, Processes and Systems	The degree to which policies, processes and systems drive and support the target culture
	Recruitment and Induction	The degree to which people joining a team (from outside or inside the organisation) have the required knowledge of organisational values and immediately understand the behaviours and attitudes they are expected to demonstrate
	Talent and Performance Management	The degree to which talent and performance processes support the target culture and recognition processes contribute to talent engagement and motivation
	Incentives and Consequences	The degree to which incentive and consequence mechanisms encourage appropriate behaviours via reward or recognition and penalise inappropriate behaviours to discourage recurrence
	Employee Experience	The degree to which the architecture around the lived experience of the employee is consistent with the target culture
	Work Environment	The degree to which the workplace (physical layout, flexible work arrangements, communication and information sharing infrastructure) enables the target culture
	Learning	The degree to which a proactive approach to individual and organisational learning is taken to facilitate better organisational culture

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Culture Assessment Framework (2/2)

We undertook a desktop review of artefacts that evidenced Crown's organisational culture architecture, against the following evaluation framework

Component	*Element*	*Description*
Measuring & Reporting Culture	Measurement	The degree to which the measurement approach and mechanisms of the target culture are defined and acted upon
	Reporting	The degree to which measurement of culture is reported to the board and senior leadership and cascaded down throughout the organisation
	Employee Listening	The degree to which live data on organisational culture is listened to and leveraged
Changing Culture	Culture Roadmap	The degree to which a culture roadmap towards target state is established and enacted upon

Detailed Findings

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Governing Culture (1/2)

The degree to which governance structures and mechanisms support Crown to effectively oversee and manage its organisational culture

Ownership

Assessment Indicator

Insight

Ownership and responsibility for Crown's *risk culture* was found to be documented in key governance documentation (noting that some documents were still in draft), though less clearly established for *organisational culture*. Documented responsibility for organisational culture was limited to an expectation that the Board approve Crown's statement of values and instil Crown's values and performance. We did not observe documented Executive level (and below) accountability for managing organisational culture. Anecdotally, stakeholders reflected a strong sense of ownership and responsibility regarding culture from within the business (e.g., business unit leads).

Artefact Review

- The Board Charter[3] outlines an expectation for the Board to instil Crown's values and performance, as well as satisfying itself that Crown's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite. Approving Crown's statement of values is also described as a matter reserved for the Board. No further mention of ownership and responsibility for organisational culture is described in the Board Charter. Additionally, no documentation was reviewed that formally cascaded Executive level accountability for managing organisational culture, or articulated Executive-level responsibility for instilling organisational culture throughout the organisation.
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- The draft risk and culture compliance framework[2] sets consistent expectation for risk culture across all roles, and further outlines an expectation that the Board 'sets the overarching tone and demonstrates the commitment of the organisation to the values and behaviours'.

Interview

- Stakeholders interviewed reported having observed a strong sense of ownership of organisational culture within the operational business. For example, the design and development of the values was observed to be a bottom-up process, with the business heavily involved and taking ownership (see Defining Culture Findings).
- Stakeholders reflected a view that the current Board take active interest in organisational culture-related information, and express a desire for increased visibility (e.g., assurances and measures). This was seen as an improvement from previous years, where HR-related activities were not seen to receive sufficient attention at Board-level, with minimal commitment from the Board in providing resources to organisational culture and people related issues.

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Governing Culture (2/2)

The degree to which governance structures and mechanisms support Crown to effectively oversee and manage its organisational culture

Organisational Design

Assessment Indicator

Insight

Crown has sought to strengthen the degree to which its organisational structure supports good governance of organisational culture. Revision to Crown's organisational structure in December 2020 created a new Chief People and Culture Officer role, intended to establish group-level oversight of HR and organisational culture within Crown. Prior to this restructure, responsibility for HR was shared between the two established properties, limiting the extent to which a cohesive approach to people and culture could be established – for example, stakeholders reflected frustrations with the quasi-group structure and noted the prevalence of sub-cultures within the two properties.

Artefact Review

- Crown's revised reporting structure has created a new Chief People and Culture Officer role, establishing group-level oversight of Human Resources and organisational culture within Crown[59]. Historically, responsibility for Human Resources at the Group-level is observed as being shared across the two established properties (Crown Melbourne / Crown Perth). With changing regulatory expectations, expansion of risk culture and new operations in Sydney, we observed a desire to bring these responsibilities under a group function, creating a central coordination point for organisational culture across the all sites[1].
- Organisational structure is recognised as an essential operational element of Crown's draft risk and compliance culture[2], with specific reference to mechanisms such as the three lines of defence, operating models and structures, and delegation and accountability. There is an opportunity to recognise the role of organisational structure in shaping and enabling Crown's broader organisational culture.

Interview

- Stakeholders reinforced the observation that responsibility for HR-related domains was shared across the two properties. Stakeholders reflected that this division of Group-level responsibilities, and broader quasi-Group structure, created a challenge in establishing a cohesive organisational culture across Crown's two established properties.

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Defining Culture (1/3)

The degree to which culture, including organisational purpose and values, has been defined and is seen to play an integrated role in achieving Crown's strategic objectives

Strategy and Objectives

Assessment Indicator

Insight

Some integration of organisational culture was observed in Crown's organisational strategy and objectives, most notably from a risk and compliance culture perspective. Crown's Risk Management Strategy explicitly recognises the role of culture in how risk is managed and articulates the link between risk culture and risk management. There is an opportunity to further recognise and define the way in which Crown's organisational culture enables the organisation to deliver on its strategy, as part of setting Crown's target culture and defining the culture roadmap. This would enable Crown to progress to a more holistic, mature integration of organisational culture into strategy and objectives, beyond a siloed focus on customer and risk cultures.

Artefact Review

- The Reform Agenda[7] has a significant focus on risk, evident through the agenda items of 'strengthening accountability and transparency within Crown', 'reinforcing a culture of compliance', 'proactively assessing and addressing money laundering risks at all times' and 'protecting Crown from the risk of criminal elements'. The implementation of the agenda was listed as a top priority for FY21, and was presented in the 2020 Annual General Meeting by Chief Executive Officer, Ken Barton, demonstrating top-down endorsement and commitment to Crown's objectives.
- An organisational culture review and ongoing culture measurement are noted as priority initiatives in the Reform Agenda[7], listed under the agenda item of 'reinforcing a culture of compliance' and further demonstrating commitment to ongoing culture uplift within Crown.
- Crown's culture is highlighted as being integral to the Risk Management Strategy[4], underpinning different elements of the risk framework, with acknowledgement that effective risk management requires a robust risk culture built on organisational values.
- The CX-EX program strategy seeks to grow Crown's revenue through uplifting the customer experience[37]. The customer and employee strategic pillars draw the link between improving the employee experience to drive a positive customer experience, which may ultimately lead to improvements in Crown's organisational culture[68].

Interview

- Stakeholders suggested that the extent to which organisational culture has been considered as part of Crown's strategy has historically been limited. Business unit strategies typically include an element of people factors, however they were not 'tied in' or seen to have strong integration. However, with the recent strategic change to focus on customer and employee experience, organisational culture has been increasingly integrated in the strategic direction.

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Defining Culture (2/3)

The degree to which culture, including organisational purpose and values, has been defined and is seen to play an integrated role in achieving Crown's strategic objectives

Organisational Values

Assessment Indicator

Insight

Crown's new organisational values and purpose statement were designed and rolled out as part of the CX-EX program, setting a clear foundation for what a target culture at Crown may look like. These values and purpose statement were supported with a clear communication strategy, and roadmap for integration into Crown's broader organisational mechanisms. Further measurement is required to understand the extent to which the values are understood by leadership and employees, and seen to be enacted and embedded into the current state culture of the organisation.

Artefact Review

- Crown's purpose statement and four organisational values are clearly defined, documented and supported with a clear communications strategy throughout the organisation[8]. The use of inclusive language sets a tone of belonging (e.g., 'We work together' and 'We are passionate'), while the values underpinning the overarching purpose statement 'Together we create memorable experiences' reinforce the message that all employees can make a valuable contribution at Crown.
- Each organisational value is further defined through a set of 'do' and 'don't' behaviours[8] to enhance employees' understanding and create awareness of how the values should be enacted and lived day-to-day. The behaviours are strongly connected with how employees are expected to interact with colleagues and customers. We note that these organisational values set a clear foundation for what a target culture at Crown may look like, and recommend further work to align and harmonise these elements with other aspects of Crown's desired state (e.g., integrating a risk and compliance culture) into a holistic and cohesive narrative around Crown's target culture.
- Development of the organisational values was supported by a robust and consultative process. Initial values were first identified by cross-property Executives and leaders during a values workshop in Crown Perth, then 'temperature' tested and validated with employees through interviews and employee experience workshops[9, 10], demonstrating good intention to understand employee needs in the workplace and ensure the values resonate well across the organisation. Following their development, Crown's organisational values have been embedded and integrated into a number of key moments throughout the employee lifecycle (see pp. XX employee experience for more information).

Interview

- Stakeholders indicated that Crown's new organisational values underwent a thorough roll-out approach and are reinforced in induction and recognition programs.
- Stakeholders reported having observed employees quote and reference the organisational values (e.g., if lodging a complaint or concern), suggesting that these values are likely to be well understood and known across the organisation.

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Defining Culture (3/3)

The degree to which culture, including organisational purpose and values, has been defined and is seen to play an integrated role in achieving Crown's strategic objectives

Communication

Assessment Indicator

Insight

Communication at Crown leverages multiple channels and methods to communicate messages throughout the organisation. Communications relating to the launch of Crown's organisational values (as part of the CX-EX program) are strong and robust. These communications utilise a range of digital communications, physical environment communications, leadership communications, and manager and employee briefings to cascade key messages. Ensuring consistency in top-down communication across all Crown properties and integrating messages around organisational culture into existing organisation-wide communications would further strengthen Crown's approach to driving the desired behaviours.

Artefact Review

- A robust communications approach[11, 12, 13] supported the launch of Crown's organisational values and purpose statement, leveraging video, posters, banners, toolkits and briefing packs. High foot traffic locations were targeted for posters and banners to enable high levels of visibility. Communications took a narrative approach, engaging Crown Perth employees to tell the story and personalise the messaging in a promotional video[14] and posters[15].
- Leaders were engaged in communicating the organisational values and purpose statement launch, through the delivery of specific manager briefings[12] and a toolkit[16], which encouraged managers to cascade information down through the organisation.
- Strong top-down transparency is demonstrated through a survey update[17, 18] sent to employees from the Crown CEO, following the employee experience survey. The update communicated overall strengths, focus areas and next steps, and business unit champions[19] were also leveraged to communicate specific business unit results.
- Crown Perth has demonstrated a comprehensive approach to communications and branding[66] around CX-EX initiatives, centred around Crown's organisational values and desired behaviours. This approach leverages multiple different channels and methods. Digital communication channels utilised include SMS alerts, CHAT Magazine and the Crown intranet. Non-digital communication channels utilised included signage, team and staff briefings, and Christmas parties[61]. The variety of channels leveraged increases the likelihood that important messages reach all of Crown's diverse workforce, whether they work on the casino floor or in head office.

Interview

- While launch of Crown's new organisational values and purpose statement was supported by a communications roll-out and reinforcement plan, stakeholders reflected that delivery approach varied across Crown Melbourne and Crown Perth. For example, Crown Perth engaged the internal marketing team to develop the communications and launch plan, with the intention of developing a stronger emotional connection with employees.
- Stakeholders stated that general employee communications at Crown are typically strong, particularly throughout the COVID-19 pandemic. It was also noted that artefacts such as the weekly newsletter and magazine are well-read and received.

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Enabling Culture (1/7)

The degree to which organisational mechanisms are designed to encourage, support, and reinforce the established organisational values and desired behaviours

Policies, Processes and Systems

Assessment Indicator

Insight

Crown's organisational values have been integrated into some of the key policies and processes that act as positive drivers of organisational culture and behaviour, such as the Code of Conduct and Anti-Bribery and Corruption Policy. However, some policies still require updating to ensure appropriate embedment and consistent reinforcement of Crown's organisational values and desired behaviours. Further assessment is required to determine whether the existing policies, procedures and systems are understood, utilised and adhered to throughout the organisation and that they sufficiently reinforce desired behaviours.

Artefact Review

- Crown's Code of Conduct[5] was found to make specific reference to the organisational purpose and values, setting the expectation that employees are expected to act in accordance with these values. The Code of Conduct was described as a key policy in guiding employees into the desired risk and compliance culture[2] at Crown, along with induction, performance management, and training processes.
- A number of Crown's key policies and processes were found to integrate Crown's organisational values and purpose, describing an intent to reinforce desirable behaviours. For example, the Anti-Bribery and Corruption Policy describes alignment with organisational values, while outlining targeted compliance systems that support the prevention, detection and management issues of bribery and corruption[51]. The Diversity policy[21] outlines Crown's commitment to equity and diversity and directly references the development of a corporate culture as a driver of creating a diverse and inclusive workplace.
- Other policies and processes were found to have limited to no integration with Crown's organisational values. For example, the Occupational Health and Safety policy[54] outlines Crown's intentions to encourage behaviours that promote a culture of inclusion, respect, community and accountability, but does not include tangible examples of how this will be achieved. Limited integration of Crown's organisational values was also observed in key behaviour-reinforcing policies, such as Crown's Whistleblower policy[52] (providing practical steps to encourage reporting of misconduct and wrongdoing) and the Appropriate Workplace Behaviour policy[36], which outlines Crown's prohibited behaviours, which include discrimination, harassment, and bullying. While this policy is supported by specific guidelines for Managers and Contact Officers to assist in handling complaints about breaches of policy[53], we note that the Appropriate Workplace Behaviour Policy[36] has not been updated since 2013.

Interview

- Stakeholders noted that further work is required to ensure Crown's organisational values have been embedded throughout all relevant policies and processes.

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Enabling Culture (2/7)

The degree to which organisational mechanisms are designed to encourage, support, and reinforce the established organisational values and desired behaviours

Recruitment and Induction

Assessment Indicator

Insight

Crown has partially integrated its organisational values and purpose statement throughout recruitment and induction processes and policies, with further work to review recruitment as part of the CX-EX program anticipated. Employees and Managers involved in the recruitment process undergo training designed to reinforce the organisational values, which are also intended to be promoted when advertising for roles to attract candidates who resonate with Crown's values, and reinforced through Crown's induction training. Crown's approach to embedding organisational culture in recruitment and induction could be further enhanced by ensuring the review of recruitment is in line with organisational culture more holistically (e.g., risk culture considerations), and through introducing initiatives that continue to encourage cultural alignment while on-the-job (e.g., a buddy system).

Artefact Review

- Crown's Recruitment policy[20] makes reference to ensuring Crown's brand, culture and values are communicated throughout the recruitment process. Diversity and inclusion is also a strong focus and is reiterated in the Diversity policy[21]. The Diversity policy also states that all employees involved in recruitment and selection be trained in their responsibilities as an Equal Employment Opportunity employer.
- The Welcome to HR Toolkit[22] is an onboarding program for Managers, which includes a high-level segment on recruitment and onboarding that outlines legislative requirements, unconscious and conscious bias, and diversity and inclusion. Culture is briefly referenced to encourage managers to provide new employees with information to enable them to assimilate into the Crown organisational culture, however no specific guidance is provided.
- Recruitment is mentioned as a focus area of the CX-EX program currently being implement, where it will be reviewed and refreshed in alignment with the new organisational values and employee experience strategy. Initial planning for this has begun in Crown Perth and the objectives outlined include positioning the Crown brand during recruitment in alignment with Crown's purpose statement and values, understanding the target employee segmentation, and developing creative recruitment strategies[64].

Interview

- Stakeholder interviews indicated that Crown's values and employee value proposition are embedded throughout the recruitment and induction processes. Every new employee was reported to attend a formal induction, primarily focused on helping employees understand Crown's organisational culture and ways of working. Stakeholders reported this induction into Crown's organisational culture is well-received amongst new-starters, though is not seen as being sustained through the employee lifecycle.

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Enabling Culture (3/7)

The degree to which organisational mechanisms are designed to encourage, support, and reinforce the established organisational values and desired behaviours

Talent and Performance Management

Assessment Indicator

Insight

Crown's current performance management process is not seen to be consistently applied across the organisation and does not reflect Crown's new organisational values and behavioural expectations. A new performance management framework is under development, which will see Crown's talent and performance management processes clearly aligned with the organisational values and behaviours and is intended to provide a strong foundation for fostering a culture of continuous development. Consideration of how the new framework will be embedded and adopted through the organisation will be critical. We recommend Crown engage managers early in the roll-out process and ensure appropriate learning is available to help managers and employees navigate the new framework.

Artefact Review

- The current state performance evaluation plan[24, 25, 26] is relatively comprehensive but is not aligned with Crown's organisational values and associated behaviours. The format is consistent for each level of employee, including the final performance rating process, which is based on an equal ratio of the achievement of key performance objectives (KPOs) and the demonstration of professional behaviours (PBs). It is noted that the PBs are not aligned with Crown's new behavioural expectations[8]. The plan also includes a section for development planning. Clear guidance is provided to Managers for navigating the current performance evaluation process, including an overview of how Crown's strategic plan should be cascaded down to the individual employee level[27]. This guidance outlines that Crown's organisational values act as a performance management hurdle, but do not yet clearly define the hurdle criteria.
- Development of a new performance management framework and process is currently underway[28]. The framework will be goal driven and development oriented, and intended to be supported by Workday's talent management system. Crown's organisational values will be at the core of the new framework, and employees will be assessed against behaviours aligning to each of the four values in addition to KPOs[60].
- Crown's leadership development includes assessment using Human Synergistics' LSI (Life Styles Inventory), bringing awareness to leaders' thinking styles and behaviours. Crown has also leveraged the LSI to assist with identifying values, current culture and target culture[30, 31, 32, 33], though we note that this provides a limited view and insight into Crown's organisational culture.

Interview

- Stakeholders reported a shift in recent years towards having financial indicators as the key focus of performance reviews and performance ratings, particularly at the executive level. In years prior, stakeholders reported that performance ratings have previously been based on an equal ratio of KPOs and PBs.
- Majority of employees are reported to undergo a performance review at least twice a year, however stakeholders indicated that the current performance management framework is inconsistently followed throughout the organisation.

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Enabling Culture (4/7)

The degree to which organisational mechanisms are designed to encourage, support, and reinforce the established organisational values and desired behaviours

Incentives and Consequences

Assessment Indicator

Insight

Crown's incentives and consequences processes are aligned with customer outcomes and compliance, however, further work could be done to ensure they are driving the behavioural expectations in line with the organisational values. Reviewing incentives and consequences in alignment with the CX-EX program will ensure they reinforce a positive employee experience, and recognition could be strengthened through providing more structure and technology to support the process (e.g., introducing a digital recognition platform to encourage employees to recognise their colleagues).

Artefact Review

- Crown's current performance evaluation process outlines a 'pay for performance' philosophy where remuneration increases are dependent on the demonstration of organisational values through behaviour[27], however, these behavioural expectations are not consistent with Crown's new organisational values and behaviours. The Executive remuneration structure also includes performance based remuneration, dependent upon Crown achieving its objectives. The Executive short-term incentives scorecard assesses elements relating to culture in the 'Our People and Culture' and 'Governance, Risk and Compliance' components, including criteria regarding enhancing engagement, promoting diversity and promoting a culture of compliance[34].
- Reward and recognition were specifically surveyed in the 2018 employee experience (EX) survey, and were revealed to be a key focus area for two business units, Food and Beverage and Crown Hotels[35]. Review of the reward and recognition processes will be undertaken in the future[65], seeking to incorporate Crown's organisational values. In particular, recognition programs are listed as an objective under the CX-EX strategic pillar 'fun and entertaining atmosphere', where it is suggested the new recognition program may include employee of the year awards, gift vouchers and 'Crown stars' awards and shoutouts that are intended to be aligned to the organisational values[65, 66].
- Strong recognition is evident in a Crown Perth staff briefing presentation[67], where a number of staff members are spotlighted for awards and achievements, suggesting that recognition is a priority for Crown Perth's leadership team.
- Crown's Appropriate Workplace Behaviour policy[36] outlines disciplinary actions and consequences for breaches of policy, which may include counselling, coaching, verbal and written warnings, and dismissal. It is noted that the policy has not been updated since 2013 and further work is required to ensure that the policy aligns with Crown's organisational values and behavioural expectations, which have been reflected in Crown's updated Code of Conduct, particularly with regard to the described 'what I don't do' behaviours[8].
- Crown's draft risk and compliance culture framework notes an expectation that Executives and management reward and support good behavioural traits towards risk and compliance management, while calling out poor behaviours. However, no further detail is documented regarding consequences and / or incentives with regard to risk behaviours[2].

Interview

- Stakeholders suggested that reward and recognition seem to be strong and well embedded, with a focus on customer service outcomes.

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Enabling Culture (5/7)

The degree to which organisational mechanisms are designed to encourage, support, and reinforce the established organisational values and desired behaviours

Employee Experience

Assessment Indicator

Insight

The employee experience uplift conducted to date through Crown's CX-EX program has been comprehensive, research-based, and leverages human-centred design principles. While still ongoing, the CX-EX program strongly considers the link between culture, employee experience and customer experience, though delivery of CX-EX initiatives was reported to have some degree of variation the two sites. Ensuring equal delivery across each of Crown's locations will assist in driving a consistent approach to developing Crown's organisational culture, and further strengthen maturity in this area.

Artefact Review

- Employee experience is evidenced as key priority at Crown, through a significant program of work on Customer Experience and Employee Experience (CX-EX) that began in Perth in 2017[37, 38]. Ownership and accountability of the CX-EX program is clearly documented and communicated in a number of the CX-EX artefacts[39, 40] including a strong governance structure with an Executive Steering Committee, and employee consultation through working groups in Crown Melbourne and Crown Perth.
- The CX-EX program considers the composition of Crown's workforce and references the differing employee experience priorities across the diverse workforce[47, 48]. An employee experience (EX) survey conducted in 2018 highlighted different focus areas for improvement, including activities and delivery timelines for each business unit (e.g., Gaming Machines, Security, Table Games, etc)[49], as well as distinguishing five groups of employees based on their motivations rather than role (e.g., ambitious achievers, disenchanted leaders), reflecting a considered approach to employee experience design[48].
- Culture was highlighted as an area for improvement through the EX survey, with strong recognition of the link between employee experience, customer experience and culture[41, 42, 43]. The CX-EX strategic pillars of employee experience revolve around driving a positive employee experience and culture (e.g., 'supportive culture', 'fun and entertaining atmosphere', and 'safe, clean and comfortable workplace')[68]. Project plans clearly outline a number of initiatives to be implemented, aligned to each of the pillars[65]. Some initiatives are in-progress, such as embedding Crown's organisational values into mechanisms such as the onboarding progress and learning experiences[22, 56].
- The employee lifecycle is documented at a high level in the HR Toolkit Program[22] for managers, with reference to cultural drivers such as diversity and inclusion in recruitment, and establishing psychological safety within teams for supportive performance conversations.

Interview

- Stakeholders suggested that there is a trend of high employee engagement at the start of the employee lifecycle, driven by a positive induction experience, which then diminishes significantly over time. It was suggested that this negative engagement trend may stem from inconsistent communications through middle management, insufficient frontline manager capability and the nature of the hospitality industry.
- Stakeholders reiterated the strong alignment of employee and customer experience through the CX-EX program, noting strong understanding throughout the business that the five CX strategic pillars are critical for meeting customer needs, and the five EX strategic pillars are needed to enable that.
- Stakeholders noted delivery of CX-EX initiatives varied across Crown Perth and Crown Melbourne, such as in the development of communications and delivery of customer competence training (e.g., MGI training being Crown Perth-only).

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Enabling Culture (6/7)

The degree to which organisational mechanisms are designed to encourage, support, and reinforce the established organisational values and desired behaviours

Work Environment

Assessment Indicator

Insight

Some consideration has been given to the impact of Crown's physical work environment on organisational culture and behaviours, evident through plans to upgrade employee amenities and spaces as part of the CX-EX program. We recommend that other elements impacting the work environment (e.g., flexible working arrangements, information sharing processes and systems) are reviewed to ensure they enable Crown's target culture (once defined). Additionally, reviewing the work environment in line with Crown's organisational values presents a significant opportunity to drive and support the behavioural expectations.

Artefact Review

- Crown's frontline business units reflect the unique casino environment (e.g., Gaming Machines, Table Games, Security and Services, etc). Results from Crown's 2018 EX survey[49] recognised that each business units have different employee experience requirements and focus areas.
- Two of the CX-EX strategic pillars, '*safe, clean and comfortable workplace*' and '*great benefits*', were strongly linked to Crown's work environment. A number of activities and initiatives to improve the physical work environment were outlined, including refurbishment of staff entry, office space reconfiguration, back of house improvements, and general upgrades to align with occupational health and safety requirements. Additional initiatives outlined that will have an influence on how employees perceive the work environment include employee car parking arrangements, an employee gym, introduction of creative workspaces, and implementing iPads to record staff feedback. The implementation of these initiatives was designed to positively impact Crown's work environment, and may assist in encouraging employees to demonstrate desired behaviours[62, 65].
- The physical work environment was utilised in the launch of Crown's new organisational purpose statement and values. Posters and banners were used as a key communication mechanism, and high foot-traffic locations were selected, maximising visibility and reach[11, 12, 13].

Interview

- No supplementary insights were identified through stakeholder interviews regarding Work Environment.

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Enabling Culture (7/7)

The degree to which organisational mechanisms are designed to encourage, support, and reinforce the established organisational values and desired behaviours

Learning

Assessment Indicator

Insight

Learning experiences at Crown were observed as having been designed as positive drivers of organisational culture. Learning was observed as a top priority, evident through ongoing, established programs such as Crown College and the front-line leadership programs. However, documentation and stakeholders reflected that some learning, specifically related to embedding Crown's organisational values and behaviours, was not consistently deployed or utilised across all Crown's locations. There is an opportunity to tailor learning content regarding Crown's culture to the unique needs of each business unit and/or location, in addition to ensuring it is accessible and embedded in the flow of work.

Artefact Review

- Specific learning around Crown's organisational values and purpose was demonstrated through a mandatory training module[55] for all employees that requires them to acknowledge the purpose, values and behaviours. While the acknowledgement is effective in bringing attention to the values and behaviours, it is unclear if further learning experiences exist to support employees in displaying the behaviours. Crown's organisational values and purpose are also included as part of induction learning materials.
- Crown's organisational values are embedded in learning courses and programs, such as Cultural Insights[56] and the Welcome to HR Toolkit[22]. A project has recently commenced to review online learning and ensure Crown's values and purpose statement are embedded into all courses.
- The Crown Values Manager Toolkit[16] provides a high-level overview of managers' roles in "bringing the organisational values and purpose to life", though does not include tangible examples of how a Manager may fulfil this role through day-to-day interactions. Additionally, the Next Generation of Leaders Program[57] and Leaders Development Program[58] are 12-month programs delivered to front-line Managers and Supervisors to build leadership capability and enable them to drive and reinforce the organisational values and culture.
- The Mary Gober International learning materials[69, 70] delivered to managers and employees at Crown Perth followed a highly interactive and self-reflective approach. The employee workbook focuses on building the capabilities required to effectively communicate and handle different customer situations, and the manager workshop focuses on building the capabilities required to effectively coach, provide feedback, handle challenging situations and self-reflect on skills and barriers. The materials are well aligned with Crown's purpose statement and seek to reinforce the behavioural expectations aligned to Crown's values.

Interview

- Stakeholders spoke highly of Crown's learning and development platform which houses accredited training to match career stages, including Crown College which many employees take part in.
- Crown Perth recently enlisted Mary Gober International to deliver learning experiences for managers and employees, with a focus on developing appropriate customer service mindsets and language capability. Stakeholders noted that the learning was well-received and highly successful with noticeable changes in employee mindsets and language evident, though it was also reported that this training was only provided to Crown Perth employees to date.

DRAFT

Measuring and Reporting Culture (1/3)

The degree to which organisational culture is regularly and robustly measured and reported on, enabling the organisation to listen to, monitor and act on employee feedback and perspectives

Measurement

Assessment Indicator

Insight

Crown has clearly defined and outlined an ongoing measurement approach for risk culture, with the caveat that the full approach for qualitative assessment (e.g., employee perspectives) is still in development. While some effort has been undertaken to assess broader organisational culture, and some measurement of culture elements was observed as part of other assessments, no documented strategy or approach for regular and comprehensive assessment of organisational culture was identified.

Artefact Review

- Some assessment of organisational culture has been conducted previously. Crown's 2018 EX survey assessed some aspects of organisational culture as part of a broader employee experience survey with over 7,000 employees, asking questions related to areas of culture such as collaboration, psychological safety, and service climate. A GM EX Insights report[71, 72] outlined the findings from another assessment of employee experience, engagement and leadership insights conducted in 2020. This assessment used Human Synergistics's LSI tool to provided a view of the target culture, experience drivers, current state culture and engagement from across 197 Gaming Machine frontline employees, and included mapping against Crown's values and behaviours.
- Crown's measurement of risk culture is proposed as comprising a three-pronged approach[2] which includes measuring effectiveness of risk and compliance frameworks, quantitative data (e.g., KRIs), and qualitative assessments (e.g., assessing values, behaviours etc). The proposed approach in the draft risk and compliance culture framework appears robust, incorporating a broad range of considerations, multiple sources and types of data, and a view of leading and lagging indicators. The approach could be further strengthened by including an approach to deep-dive / root cause analysis, as well as articulating how data sources are triangulated to draw insight.

Interview

- Stakeholders affirmed the development of a bespoke employee experience survey as part of the CX-EX program, which focused on engagement. The results of this assessment (Crown's 2018 EX survey) identified key drivers of customer experience, of which culture was one component, as well as identifying levers to pull for most impact.

DRAFT

Measuring and Reporting Culture (2/3)

The degree to which organisational culture is regularly and robustly measured and reported on, enabling the organisation to listen to, monitor and act on employee feedback and perspectives

Reporting

Assessment Indicator

Insight

Limited formal processes were observed regarding the regular reporting of Crown's organisational culture. To date, reporting of organisational culture was found to be limited to culture-adjacent assessments (e.g., as part of the EX survey conducted through the CX-EX program, engagement surveys), and some references to culture in external reporting (e.g., Annual Report). While reporting of Crown's risk culture appeared take a more structured approach, with the risk culture reporting template demonstrating strong alignment with the risk and compliance culture framework, these processes are noted to be in draft and not yet implemented. Reporting maturity around organisational culture would benefit from defining and implementing a structured process, especially up to Board.

Artefact Review

- Elements of Crown's organisational culture were found to be reported as part of broader assessments, rather than being part of a focused assessment of culture. Some aspects of culture have been reported as part of engagement survey results, as well as within Crown's 2018 EX survey and reporting, which highlighted culture as a focus area for improvement and driver of the employee experience. Reporting of these assessments was typically seen to go up to the Executive and Business Unit leads, though with limited reporting up to Board observed.
- External reporting of Crown's organisational culture was observed in the Annual Report (2020)[73] and Corporate Governance Report (2020)[74]. In the Annual Report, small references were made in the Chairman's message, as well as in the Remuneration report[34], which referenced a 10% weighting on "People and Culture" as a metric in Senior Executives' STI performance measure scorecard. The Corporate Governance Report additionally outlined Cultural Change and Communication as an area of focus for Crown's Gender Action Plan (F20-23), with reference to the implementation of a social communication platform to enable two-way engagement. Adoption of a new Code of Conduct is also reported.
- Risk culture reporting was outlined in Crown's draft risk and compliance report[2], which demonstrated strong alignment with the three-pronged approach to measurement of risk culture described in the risk and compliance framework. We noted that both artefacts are in draft and not yet implemented. These artefacts describe an intention to report risk culture through a table outlining key framework aspects (including current status and intended improvements), as well as through reporting on quantitative insights. These insights provide an overview of key risk culture indicators, with data reported as the FY figure for the previous three years, FYTD figure, and a visual representation of the trend. The approach for assessing and reporting on qualitative assessment is not yet drafted.

Interview

- Stakeholders reported that action planning and response approaches may differ across Crown locations. The process in one property was outlined as involving the development of business unit action plans following engagement survey results, in addition to a property-wide approach. Additional data was noted as a feeding into action planning (e.g., turnover, absenteeism metrics).
- Stakeholders outlined a existing process where a KPI pack (including culture and human resources metrics) is compiled in the form of a dashboard and provided monthly to senior HR and business operations teams. Due to COVID-19, Crown has paused the development of these packs, however stakeholders highlighted the intention to review and update these packs following feedback from report receivers.

DRAFT

Measuring and Reporting Culture (3/3)

The degree to which organisational culture is regularly and robustly measured and reported on, enabling the organisation to listen to, monitor and act on employee feedback and perspectives

Employee Listening

Assessment Indicator

Insight

Crown's employee listening approach has comprised annual engagement surveys, as well as assessments conducted as part of the CX-EX program (2018 EX survey, and subsequent pulse surveys). The approach will be strengthened significantly in early 2021 with the full implementation of a voice of employee listening strategy (VoE) through the Medallia platform, which will provide a channel to gather employee feedback (e.g., hosting relationship and pulse surveys).

Artefact Review

- Engagement surveys have seen regular use within Crown. Review of summary reporting[75, 76, 77, 78, 80, 81] indicates use of engagement surveys stemming back to 2017 for different business units within Crown, providing items with the highest / lowest scores, suggested areas for focus, and a comparative view with other high performing companies. We observe a high participation rate (91% in 2020), with a relatively stable engagement score.
- The Voice of Employee project currently underway will see Medallia (a customer and employee experience software platform) fully implemented as the primary listening mechanism across Crown. Surveys will be sent to employees via email and SMS, with the first survey due to be released 4 March 2021[82].

Interview

- Stakeholders described the intention to introduce the new process to gather employee feedback, through utilising the Medallia platform (currently being used as voice of the customer platform - VoC) to generate relationship and pulse surveys. The results of these surveys will be reported to the Crown Perth executive and CX-EX working group, with a process to be developed to share and action results at the business unit level.

DRAFT

Changing Culture

The degree to which a culture change roadmap towards target states is established and enacted upon

Culture Roadmap

Assessment Indicator

Insight

Crown has not yet articulated a target state culture, nor established a formal culture roadmap. However, some progress has been made in that the organisational values and behavioural expectations, which would underpin Crown's target culture, have already been formally defined and communicated across the organisation. A CX-EX roadmap with strategic actions closely linked to enabling organisational culture has been outlined as part of the program, which included the roll-out of Crown's organisational values and purpose. We recommend developing a more holistic roadmap to support achieving Crown's target culture (once defined), which would also include elements around the governance, measurement and reporting of culture.

Artefact Review

- Regular reference is made to the need and plan for a culture transformation throughout the CX-EX program artefacts[37, 46] (e.g., in memos, project briefs, project presentations) with an objective of addressing the key themes identified in Crown's 2018 EX. These artefacts suggest that the formal definition of a culture roadmap will be a future objective for Crown, and will likely need to leverage the CX-EX program underway. For example, the CX-EX program has defined five cultural levers (inclusive leadership, community, purpose, values, and competence) which provide a foundation for what Crown's culture roadmap may look like[83].
- Crown Perth's CX-EX roadmap is clearly defined, documenting key milestones such as the launch of Crown's new purpose and values, the development of the Voice of Employee strategy (i.e., Medallia implementation) and the launch of the corporate strategic pillars[83]. Whilst the roadmap is not necessarily a culture roadmap, the milestones and activities listed act as positive drivers on Crown's organisational culture. Some activities have seen successful implementation, while other initiatives are still in progress (e.g., development of a new performance management framework). Ownership and accountability for these activities are clearly defined and attributed to CX-EX program working groups and stakeholders across Crown Perth and Crown Melbourne[84], and governed by an Executive Steering Committee.

Interview

- Stakeholder interviews confirmed that a target culture is not yet formally defined. While the CX-EX program has provided focus areas of importance with regard to improving Crown's culture, a clearly defined target culture was seen as something that would provide benefit.
- Stakeholders reiterated that the CX-EX roadmap outlines the work that will be completed a number of strategic actions over the next 18 months, which was delayed due to COVID-19. The roadmap is managed by an Executive Steering Committee, and monitors measures of success regarding roadmap actions and initiatives.

Appendix

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Appendix A: Culture Assessment Framework

The maturity framework below provides the bottom end ('not evidenced') and the top end ('embedded/good practice') of the culture assessment framework used to assess Crown's culture architecture against. The maturity framework is a five-point scale, aligned to the Harvey Ball assessment metric used throughout this report.

		Maturity Assessment	
		Not Evidenced	*Embedded / Good Practice*
Governing Culture	Ownership	• No explicit or implicit evidence of ownership of organisational culture	• Organisational settings (organisational structure, governance style, decision rights, delegations) are specifically designed and/or adapted to align with, cultural aspirations and ways of working support the organisation to achieve its strategic outcomes • Organisational settings (organisational structure, governance style, decision rights, delegations) are effectively implemented, communicated and contributing to the achievement of the organisation's target culture
	Organisational Design	• Organisational settings (e.g., organisational structure, governance style, decision rights, delegations) have not been reviewed in light of nor align to cultural aspirations, and/or do not support intended ways of working	• Ownership and accountability of organisational culture is defined and attributed to the top of the organisation (or equivalent), with evidence of cascading ownership through levels of leadership for driving and embedding the culture agenda • There is clear allocation of appropriate resources to drive culture initiatives and processes, allocated by the owners of organisational culture
Defining Culture	Strategy and Objectives	• No articulated organisation strategy and/or strategy does not recognise the role of culture (e.g., as an enabler, as a core part of strategy itself), with no description or reference to desired culture attributes that would support the achievement of strategic priorities • No reference or articulation of how culture supports the organisation to manage risks as part of achieving its strategy	• Strategy recognises and articulates culture as a core part of the strategy itself, and describes how the desired culture attributes will enable the organisation to achieve its strategy and manage risks as part of achieving this strategy • Strategy includes objectives covering multiple aspects of culture that comprise the organisation's target culture (e.g., risk culture, inclusive culture, wellbeing and safety culture), and the gap between current cultural attributes and desired ones is supported by articulated strategy to achieve target culture • Strategy and objectives relating to culture are strongly embedded and communicated throughout the organisation and there is clear evidence of efforts to achieve the culture related objectives

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Appendix A: Culture Assessment Framework

The maturity framework below provides the bottom end ('not evidenced') and the top end ('embedded/good practice') of the culture assessment framework used to assess Crown's culture architecture against. The maturity framework is a five-point scale, aligned to the Harvey Ball assessment metric used throughout this report.

		Maturity Assessment	
		Not Evidenced	*Embedded / Good Practice*
Defining Culture	Organisational Values	• Organisational values and target culture are not formally defined or documented	• Organisational values and target culture are clearly defined, documented, and embedded in the organisation through stories and narrative, with a clearly articulated link regarding how organisational values contribute to desired cultural attributes (e.g., through describing mindsets and behaviours). • Organisational values and target culture are part of a broader ethical framework (purpose, values, principles or equivalent - could be mission/vision etc), and are designed to be used as a tool for decision making and not just as a control for behaviour within the organisation. I.e. they create an ethos for the organisation to shape its character and decisions about external impacts, not just as a behavioural directive. • Process of designing the organisational values and target culture included extensive consultation with leaders and employees from a representative cross-section of demographic groups across the organisation and additional relevant stakeholders such as board directors and external stakeholders
	Communication	• Little to no communications regarding culture, purpose or values from leadership • Little to no communications regarding culture, purpose or values from HR / internal communications teams	• Communicating organisational values, culture and desired behaviours through formal and informal communication channels is documented as a key priority in communications strategy / plan and is consistently delivered, monitored for changing needs, and adapted to meet these needs. • Communications explore the values through stories and narratives, and describe how values have been used in decision making throughout the organisation • Communications from leadership recognise and promote organisational values, desired organisational culture, culture initiatives and reinforce desired behaviours as part of a co-ordinated org-wide communications campaign on an ongoing basis through multiple, role appropriate communications channels and methods • Communications from HR / internal communications team recognise and promote organisational values, desired organisational culture, culture initiatives and reinforce desired behaviours as part of a co-ordinated org-wide communications campaign on an ongoing basis through multiple, role appropriate communications channels and methods

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Appendix A: Culture Assessment Framework

The maturity framework below provides the bottom end ('not evidenced') and the top end ('embedded/good practice') of the culture assessment framework used to assess Crown's culture architecture against. The maturity framework is a five-point scale, aligned to the Harvey Ball assessment metric used throughout this report.

		Maturity Assessment	
		Not Evidenced	*Embedded / Good Practice*
Enabling Culture	Policies, Procedures and Systems	• No documented policies and processes that act as positive drivers of organisational culture, values and behaviours (e.g. whistleblowing policies, diversity and inclusion policies, bullying and harassment policies etc.) • No alignment of existing policies, frameworks, processes and systems with organisational culture, values, or behavioural expectations (e.g., appropriate workplace behaviour policy does not align with incentive and consequences processes)	• Policies and processes that act as positive drivers of organisational culture, values and behaviours are easily accessible, formally communicated throughout the organisation and well embedded in operational practice (e.g., whistleblowing policies, diversity and inclusion policies, bullying and harassment policies) • Strong and consistent alignment of existing policies, frameworks, processes and systems with organisational culture, values or behavioural expectations (e.g., appropriate workplace behaviour policy aligns with incentive and consequences processes), which are regularly reviewed and updated to match changing needs, in addition to review by an independent provider/internal audit to ensure they are fit for purpose and operationally sound
	Recruitment and Induction	• Culture fit and behavioural expectations are not included in recruitment or induction processes and documents (including job descriptions, interview guides, EVP, induction presentations, onboarding information) • No training or support materials regarding culture fit (e.g., candidates demonstrating fit with of values, behavioural expectations) and/or culture drivers (e.g., diversity and inclusion) provided to those involved in the recruitment process (e.g., Recruitment team, hiring managers)	• Organisational values, culture and behavioural expectations are embedded in recruitment processes and documents (e.g., job descriptions, interview guides, EVP) and organisational culture is leveraged as a key part of EVP in recruitment to help attract employees who are a cultural fit • Culture fit and behavioural expectations are embedded in induction processes and documents (including induction presentations, onboarding information), and are aligned to the organisation's target culture or values, and new employees are allocated a dedicated guide/buddy (or supported by manager) who receive specific training/guidance to assist the employee in understanding and assimilating into the organisational culture • Training and support materials regarding culture fit (e.g., candidates demonstrating fit with values and behavioural expectations) and/or culture drivers (e.g, D&I) provided to those involved in the recruitment process (e.g., Recruitment team, hiring managers), with ongoing follow up and reinforcement

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Appendix A: Culture Assessment Framework

The maturity framework below provides the bottom end ('not evidenced') and the top end ('embedded/good practice') of the culture assessment framework used to assess Crown's culture architecture against. The maturity framework is a five-point scale, aligned to the Harvey Ball assessment metric used throughout this report.

		Maturity Assessment	
		Not Evidenced	*Embedded / Good Practice*
Enabling Culture	Talent and Performance Management	• Culture fit, values and behavioural expectations are not included in performance or talent management processes (including culture / behaviour KPIs as part of performance goals and reviews) • Competency frameworks do not include behaviour related competencies and/or soft skills that are aligned with organisational values and culture	• Organisational values purposefully underpin the performance and talent management processes, driving culture fit and behavioural expectations (including culture / behaviour KPIs as part of performance goals and reviews), applied consistently and weighted appropriately • Performance and talent management processes are consistently followed, adhered to and updated regularly to reflect changing needs of the business and employees • Competency frameworks include behavioural competencies and/or soft skills that are aligned with organisational values and culture, and are easily accessible and utilised by employees and managers
	Incentives and Consequences	• Reward and recognition processes do not consider or recognise the demonstration of values and behaviours in alignment with the desired culture • Consequence management processes make no reference to penalising or addressing behaviours that are not aligned with the organisation's desired culture attributes, values or behaviours	• Reward and recognition processes are designed to reward people who demonstrate values and behaviours in alignment with the desired culture, and are consistently applied and embedded across all role levels • Consequence management processes are aligned with other relevant organisational policies, designed to appropriately penalise / manage those who demonstrate values and behaviours considered contrary to what is desirable to discourage that behaviour, and evidence indicates that they are applied consistently across all role levels
	Employee Experience	• No documentation or reference of culture as a driver in the employee experience and/or employee lifecycle	• Formal employee experience strategy which is implemented and fully embedded across the organisation. Employee experience is aligned to cultural aspirations and is a key priority or objective in the people / culture strategy • Employee lifecycle is clearly documented with links to key cultural drivers at each point in the lifecycle and is communicated throughout the organisation • Employee experience strategy strongly considers and designs for the target culture through tailoring the composition of the workforce and considers multiple segmentation options • Offboarding / separation processes include a departure interview or survey designed to collect feedback on how organisational culture was experienced during employment and the impact of organisational culture on resignation, and there is a process in place for addressing the feedback

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Appendix A: Culture Assessment Framework

The maturity framework below provides the bottom end ('not evidenced') and the top end ('embedded/good practice') of the culture assessment framework used to assess Crown's culture architecture against. The maturity framework is a five-point scale, aligned to the Harvey Ball assessment metric used throughout this report.

		Maturity Assessment	
		Not Evidenced	*Embedded / Good Practice*
Enabling Culture	Work Environment	• No consideration of the implications of physical layout of work environment on culture and behaviour • No alignment between organisational culture, values, and behavioural expectations to policies and processes regarding ways of working (e.g., flexible work arrangements, information sharing processes)	• Physical layout of work environment is designed around enabling the desired culture and behaviours, with a balance of employee and customer experience considerations • Strong alignment between organisational culture, values, and behavioural expectations to policies and processes regarding ways of working (e.g., flexible work arrangements, information sharing processes), which is supported by a communications process, implemented consistently across the organisation, and regularly reviewed for improvement
	Learning	• No inclusion or reference to organisational culture, values, or behaviours as part of training and education (mandatory or optional)	• Clearly defined, documented and implemented organisational learning strategy/plan which is designed to reinforce and drive the target culture, values and behaviours, and includes formal (e.g., mandatory and non-mandatory training, leadership programs) and informal (e.g., on-demand digital learning, mentoring, team intranet sites) learning opportunities • Inclusion of organisational culture, values, or behaviour as a component / course in mandatory training and education which is aligned with other non-culture related training and education, and is delivered as refresher training on a regular basis • Employees have access to additional role specific learning that is directly related to culture, such as interactive learning and toolkits on organisational values, culture and meeting the behavioural expectations for their role • Leaders receive regular and ongoing learning opportunities and support designed to enable them in their role as drivers and reinforcers of organisational culture (e.g., to communicate culture results, to drive action planning after culture surveys, to reinforce culture change, to create psychological safety) • Learning and education related to culture, values, or behaviour is reviewed and assessed to ensure learning is reflective of current employee and business needs, with updates made to content where required on a regular basis

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		Maturity Assessment	
		Not Evidenced	*Embedded / Good Practice*
Measuring & Reporting Culture	Measurement	• No evidence of measurement of organisational culture (including other components, e.g., risk culture, measuring values, etc)	• Formally defined and documented approach and framework for measurement of organisational culture aligned with values, which is articulated as a key priority and linked to helping the organisation achieve its strategic goals (e.g., as part of the culture roadmap, achieving target state) • Robust measurement mechanism are in place, combining multiple sources of quantitative and qualitative data which are analysed through integrated analysis techniques (e.g., hypothesis testing, grounded theory analysis), are regularly and consistently applied, and reviewed for improvement • Measurement mechanisms obtain a representative sample of responses across the organisation, and root cause / driver analysis is regularly undertaken as part of regular assessment or deep-dive activities • Formal process to act on the data and develop action plans, including a process for measuring the effectiveness of actions implemented and whether culture change has occurred, which is fully implemented and embedded across the organisation (including at whole-org and BU-level action planning)
	Reporting	• No defined reporting process related to organisational culture, and little to no culture-related reporting	• Formally defined internal and external reporting requirements related to organisational culture which is implemented consistently through the organisation, and regularly reviewed for improvement. Reporting is conducted on a regular basis to provide information about current state culture, values and/or behaviours. Comprehensive external reporting on the organisation's culture is provided. • Senior leaders, including the organisation's Board have a formally documented process and implemented for receiving and being informed on culture reports, and cascading insights down through the organisation • Structured process for initiating and implementing action planning as a result of reporting, which is aligned with key culture focus areas identified as part of the process

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		Maturity Assessment	
		Not Evidenced	*Embedded / Good Practice*
Measuring & Reporting Culture	Employee Listening	• No evidence of the use of employee listening channels to capture feedback related to culture, values, and behaviours (including engagement surveys)	• Systematic and ongoing process for capturing culture observations, values and behaviours, incorporating them into existing culture measurement data, and tracking through multiple employee listening channels, including engagement survey with culture questions, regular pulses, and ongoing listening forums • Structured process for monitoring and addressing feedback received through employee listening channels, which is consistently adhered to and incorporates resulting initiatives into a culture roadmap
Changing Culture	Culture Roadmap	• No formally documented or communicated culture roadmap • No evidence of ongoing initiatives or programs related to driving organisational culture	• Culture roadmap is formally defined and documented, aligned to the organisational strategy and there is a process for communicating it throughout the organisation • Regular process for reviewing, monitoring and updating culture roadmap to adjust to changing business needs • Ownership and accountability for ongoing cultural initiatives or programs are clearly defined, endorsed by the top, and managed by dedicated change managers/project managers • Structured and regular process for evaluating the effectiveness of culture change initiatives (e.g., through regular pulse surveys, feedback channels)

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Appendix B: Artefact List

1 Reporting Structure - ATO Requirements - at 30 June 2020
2 DRAFT Risk and Compliance Culture
3 Board Charter
4 Risk Management Strategy - June 2020
5 Code of Conduct 2020
6 RMC Charter
7 Strategy [2020 Annual General Meeting]
8 Crown's Values and Behaviours
9 Crown Values and Behaviours_v2
10 1803-13 Crown CX-EX Steering Committee – Purpose
11 Crown Values Activation
12 Together we create memorable experiences - Launch Action Plan 210519
13 190612 Purpose And Values Emp Comms Plan
14 2019_CROWN_ValuesPurpose_SMALLER
15 Final Value Behaviour Posters
16 Crown Values Manager Toolkit
17 181010_EXSurvey_Update
18 190311_EX_Update
19 Employee Experience Survey - BU Champions
20 Recruitment policy – Melbourne
21 Diversity policy
22 The NEW HR Toolkit Program
23 Information requested [email]
24 CM PEP Level 1 - Team Member
25 CM PEP Level 4 - Senior Manager - BOT Member
26 CM PEP Level 5 – Executive
27 Performance Review Guide for Managers - FY20 Melbourne
28 Performance Management Framework Review Paper 170709
29 Crown 6 Oct Presentation
30 All Leaders - Combined LSI1 and 2 Composite
31 LSI Information Sheet
32 LSI2 Information Sheet
33 The Difference HS Makes - Tool Summary
34 2020 Rem report
35 Employee Experience Survey - BU Focus Areas
36 Appropriate Workplace Behaviour - Melbourne
37 1707-21 Employee Engagement Project Brief
38 1708 09 PERTH CXEX | Kick off
39 1707 06 | Steering Committee and Working Group
40 1711 15 | Working_Group_TOR
41 1708 31 | Crown CX Discussion Guide 31.08
42 1802 Crown Melbourne CX-EX Working Group_1
43 EX Steering Committee 280120
44 EX Steering Committee Meeting

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Appendix B: Artefact List

45 EX Organisational Themes Detailed Timeline Plan Jan 2020
46 BOT Presentation Values
47 1804-24 Crown CX – EX – Purpose Outputs_Detailed Findings
48 1808-24 Crown EX Research Report v5
49 160519 BU EX Themes - Melbourne Working Group Meeting
50 1805-23 Crown CX-EX Combined Steering Committee_MAY
51 ABC [Anti-bribery and Corruption] Policy
52 Whistleblower policy
53 Appropriate Workplace Behaviour - Attachment - Manager and Contact Officer guidelines - Melbourne
54 WHS [Occupational Health and Safety] policy
55 Values and Purpose Acknowledgement Crown Learn
56 20200429 Crown - Cultural Insights
57 Next Generation of Leaders Program - Overall Structure and Delivery
58 Leaders Development Program - Overall Structure and Delivery
59 Crown Resorts Limited Announcement – Organisational Structure 171220
60 F20 PEP Summary
61 Crown Perth Strategic Framework
62 1808 30 | CX EX Summary of Projects FY19
63 1810 25 | Ongoing Community and Purpose Comms Plan
64 EX Recruitment Positioning and Creative Development_EXEC
65 1805 21 | CX EX Three year plan V1.0
66 Internal Employee Brand_Style Guide PURE-HYBRID-CORP_v9
67 May 2019 Staff Briefings – CONSOLIDATED – FINAL
68 1911 04 | MC19_29989_Crown Internal Pillars_Growth Target
69 1 Day TWCMET Booklet
70 Together We Create Memorable Experiences – Manager Workshop
71 GM EX Insights
72 EX and Engagement Overview - Gaming Machines
73 2020 Annual report
74 Corp Gov report 2020
75 2019 GM Engagement Survey
76 2019 HR Overall Engagement Survey
77 2019 Marketing Engagement Survey
78 2019 VIP International
79 2020 GM Engagement Survey
80 2020 HR Engagement Survey
81 Hotels 2017 Engagement Survey
82 Crown VoE – Weekly Status Report_10122020
83 20 01 | Our Journey | Summary
84 1810 05 FY19 EX.CX RACI

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